Government is equally committed to maintaining the integrity of the North-Eastern States.

Transmission and distribution losses of State Electricity Boards

*155. SHRI NARENDRA MOHAN: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that while in 2000-2001 the total losses of State Electricity Boards were Rs. 20,220 crores and within a year it jumped to Rs. 26,000 crores;

(b) if so, is it attributable to transmission and distribution losses as is generally made out while in actual practice it is theft of power; and

(c) what measures Government is adopting to gradually elimimate these losses within a predetermined time-frame so that India may not sink deeper into the quagmire of power cuts and higher tariffs?

THE MINISTER OF POWER (SHRI SURESH PRABHU): (a) According to the Annual Report of the Planning Commission on the Working of SEBs the estimated commercial losses with subsidy of the SEBs in India has increased from Rs. 17,793.72 crores in 2000-01 (Revised Estimate) to Rs. 24,837.22 crores in 2001-02 (Annual Plan)†.

(b) The losses of SEBs are attributable to a combination of factors such as irrational tariff structures, high level of transmission & distribution losses and power theft, low level of operational efficiency , poor metering, billing and collection etc.

(c) Government have drawn up strategy in consultation with State Governments for revival of financial health of SEBs and gradual elimination of these losses. Important steps taken are as follows:—

(i) Electricity Regulatory Commissions Act has been enacted to enable State Governments to constitute State Electricity Regulatory Commissions (SERCs) for rationalization of electricity tariff and for promotion of efficiency, economy and competition. So far SERCs are functional in 15 States. SERCs of 12 States have already issued tariff orders.

†(Figures projected during Annual Plan discussion)

(ii) Conference of Chief Ministers/Power Ministers held in March, 2001 recognized that the real problem lies in the distribution sector and therefore resolved, *inter alia*, that:

(a) Energy audit at all 11 KV feeders will be made effective within the next 6 months and accountability fixed at the local level.

(b) An effective Management Information System (MIS) for this purpose be made operational.

(c) On the basis of the above, an effective programme by launched for identifying and eliminating power thefts in the next 2 years.

(d) Full metering of all consumers.

(e) Current operations in distribution would need to reach breakeven in two years and achieve positive returns thereafter.

(iii) Memoranda of understanding (MoU) have been signed with 21 States. The MoUs are a joint commitment of the Centre and the States to undertake reforms in a time bound manner with focus on distribution reforms.

(iv) Government has launched the Accelerated Power Development and Reform Programme (APDRP) to assist the States in improving their sub-transmission/distribution system and providing incentive grants linked to the bridging of the gap between cost of supply and average revenue per unit. Under the APDRP, projects in identified distribution circles aimed at turnaround and development as centres of excellence are eligible for financing. A comprehensive six level intervention strategy for bringing about a turnaround in distribution has been evolved.

(v) The Electricity Bill, 2001 envisages a series of measures for curbing and effectively dealing with theft of electricity.

Schemes for the development of weavers

†*156. SHRI MUNAVVAR HASAN: Will the Minister of TEXTILES be pleased to state:

(a) the details of schemes being implemented by Government for the development of weavers;

†Original notice of the question was received in Hindi.